

Jo E. Hartwick
State Bar No. 09175045
Briana L. Cioni
State Bar. No. 24044161
Rachael L. Stringer
State Bar No. 24066158
STUTZMAN, BROMBERG, ESSERMAN & PLIFKA,
A Professional Corporation
2323 Bryan Street, Suite 2200
Dallas, TX 75201-2689
Telephone: 214-969-4900
Facsimile: 214-969-4999

ATTORNEYS FOR PETRA CRE CDO 2007-1, LTD

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§ Chapter 11
	§
FRE REAL ESTATE, INC.,	§ Case No. 11-30210-BJH-11
	§
Debtor.	§

NOTICE OF PROHIBITION OF USE OF CASH COLLATERAL

TO: FRE Real Estate, Inc., c/o John P. Lewis, Jr., 1412 Main Street, Suite 210,
Dallas, Texas 75202.

PLEASE TAKE NOTICE that Petra Mortgage Capital Corp., LLC (“PMCC”) and TCI Amoco Property, LLC (“Borrower”) entered into a loan agreement in the principal amount of \$19,500,000.00 (the “Loan”), which Loan was subsequently assigned by PMCC to Petra CRE CDO 2007-1, Ltd. (“Petra CDO”). As security for repayment of the Loan, Borrower granted PMCC, and PMCC subsequently assigned to Petra CDO, a valid lien in real property (the “Property”) consisting of:

A certain piece or portion of ground, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunder belonging or in anywise appertaining,

situated in the First Municipal District of the Parish of Orleans, City of New Orleans, State of Louisiana, in square 307-A, which square is bound by Poydras Street, Loyola Avenue, Girod Street and LaSalle Street being designated as Parcel "G."

According to a plan of survey by the Office of Gandolfo Kuhn, L.L.C. dated July 16, 2007, drawing number 595-13:T-209-4 (which plan references the plan of survey of John E. Walker, Land Surveyor, dated June 11, 1993, revised April 11, 1996, and bearing No. T237-24A), said Parcel G is bounded by Poydras Street, The Lord and Taylor property, Parcel F and Parcel H, and is more fully described as follows:

Commencing at the intersection of the southerly right-of-way line of Poydras Street and the westerly right of way line of Loyola Avenue, proceed along the southerly right-of-way line of Poydras Street on a bearing of North 84 degrees 37' 12" West a distance of 357.87 feet actual (356.91 feet title) to a point, the point of beginning.

Thence along the southerly right-of-way line of Poydras Street on a bearing of North 84 degrees 37' 12" West a distance of 233.17 feet actual (233.16 feet title) to a point;

Thence in a southerly direction on a bearing of South 00 degrees 23' 00" East actual (South 00 degrees 22' 45" East title), a distance of 195.26 feet actual (195.33 feet Walker) (195.03 feet title) to a point;

Thence in an easterly direction along a line common to Parcel F on a bearing of North 89 degrees 38' 06" East Actual (North 89 degrees 38' 09" East title) a distance of 232.00 feet to a point;

Thence in a northerly direction along a line common with Parcel H on a bearing of North 00 degrees 22' 48" West actual (North 00 degrees 22' 45" West title) a distance of 171.92 feet actual (171.90 feet Walker) (171.85 feet title) to a point on the Poydras Street right-of-way, the point of beginning.

And contains improvements with Municipal Number 1340 Poydras Street; together with the beneficial use of the nonexclusive servitudes, and being the same property acquired by TCI Amoco Property LLC who acquired by act dated August 15, 2007 and recorded August 31, 2007 in the Orleans Parish Conveyance Office in Inst. 368576.

Borrower has transferred title to the Property to FRE Real Estate Inc., the debtor

("Debtor") in the above-captioned bankruptcy case. Accordingly, all payments under the Loan

or otherwise in consideration of Petra CDO's security interest in the Property constitute Petra's cash collateral pursuant to 11 U.S.C. § 363(a).

PLEASE TAKE FURTHER NOTICE that cash collateral may not be used except as provided in 11 U.S.C. § 363(c)(2), which provides, among other things, that cash collateral may not be used unless each entity that has an interest in such cash collateral consents, or the court authorizes such use. In addition, cash collateral must be segregated and separately accounted for pursuant to 11 U.S.C. § 363(c)(4). Petra CDO does not consent to the use of any property constituting its cash collateral, and hereby demands that such funds be segregated and separately accounted for as required by law.

Dated: January 12, 2011

**STUTZMAN, BROMBERG,
ESSERMAN & PLIFKA,**
A Professional Corporation

By: /s/ Jo E. Hartwick
Jo E. Hartwick
State Bar No. 09175045
Briana L. Cioni
State Bar No. 24044161
Rachael L. Stringer
State Bar No. 24066158

2323 Bryan Street
Suite 2200
Dallas, Texas 75201-2689
(214) 969-4986 (telephone)
(214) 969-4999 (facsimile)

**ATTORNEYS FOR PETRA
CRE CDO 2007-1, LTD**

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of January 2011, a true and correct copy of the foregoing Notice of Prohibition of Use of Cash Collateral was served via court ECF notification (on those parties registered for ECF), and/or by U.S. First Class Mail, postage prepaid, on the parties listed below:

John P. Lewis, Jr.
Law Office of John P. Lewis, Jr.
1412 Main St. Ste. 210
Dallas, TX 75202

U.S. Trustee
1100 Commerce Street
Room 976
Dallas, TX 75242-1496

David Weitman, Esq.
Daniel I. Morenoff, Esq.
K&L Gates LLP
1717 Main Street, Suite 2800
Dallas, TX 75201

Victor Barwig, Sr. VP
Loan Portfolio Manager
Wells Fargo Capital Finance – Southern Region
1100 Abernathy Road, Suite 1600
Atlanta, GA 30328

Robert Bernier
Vice President
Wells Fargo Capital Finance
1100 Abernathy Road, Suite 1600
Atlanta, GA 30328

Jason A. Starks
Assistant Attorney General
Bankruptcy & Collections Division
P. O. Box 12548
Austin, TX 78711-2548

Craig, Terrill, Hale & Grantham, L.L.P.
Attn: Kent Hale
9816 Slide Road, Suite 201
Lubbock, TX 79424

Valwood Improvement Authority
c/o Elizabeth Banda Calvo
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.
P.O. Box 13430
Arlington, Texas 76094-0430

Keith M. Aurzada
John C. Leininger
Bryan Cave, LLP
2200 Ross Avenue, Suite 3300
Dallas, TX 75201

Laurie Spindler Huffman
Linebarger Goggan Blair & Sampson, LLP
2323 Bryan Street, Suite 1600
Dallas, TX 75201

Michael D. Warner, Esq.
Emily S. Chou, Esq.
Cole, Schotz, Meisel, Forman & Leonard, P.A.
301 Commerce Street, Suite 1700
Fort Worth, TX 76102

Stephen Sakonchick, II
Stephen Sakonchick II, P.C.
6836 Bee Caves Road, Suite 225
Austin, TX 78746

Mark Stromberg
Stromberg Stock PLLC
Two Lincoln Center
5420 LBJ Freeway, Suite 300
Dallas, TX 75240

Mark E. Andrews
Aaron M. Kaufman
Cox Smith Matthews Incorporated
1201 Elm Street, Suite 3300
Dallas, TX 75270

/s/ Jo E. Hartwick
Jo E. Hartwick